

NATIONAL
INDIAN
GAMING
COMMISSION

Robert C. Brauchli
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White Mountain Apache Tribe
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P.O. Box 700
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Dear Mr. Brauchli:

This letter responds to your request to review and approve the tribal gaming ordinance submitted on September 3, 1993, for the White Mountain Apache Tribe of the Fort Apache Indian Reservation. This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA).

Under the IGRA and the regulations of the National Indian Gaming Commission (NIGC), the Chairman is directed to review ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required under the IGRA or the NIGC regulations that may be included in a tribal ordinance are not subject to review and approval. Also, such approval does not constitute approval of specific games.

It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

With the Chairman's approval of the Tribe's gaming ordinance, the Tribe is now required to conduct background investigations on its key employees and primary management officials. The NIGC expects to receive a completed application for each key employee and primary management official pursuant to 25 C.F.R. § 556.5(a) and an investigative report on each background investigation before issuing a license to a key employee or primary management official pursuant to 25 C.F.R. § 556.5(b).

Thank you for submitting the ordinance of the White Mountain Apache Tribe of the Fort Apache Indian Reservation for review and approval. The NIGC staff and I look forward to working with you and the Tribe in implementing the IGRA.

Sincerely yours,

Anthony J. Hope

Anthony J. Hope
Chairman

**GAMING ORDINANCE OF THE
WHITE MOUNTAIN APACHE TRIBE
OF THE FORT APACHE INDIAN
RESERVATION**

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PART I

BE IT ENACTED BY THE COUNCIL OF THE WHITE MOUNTAIN APACHE TRIBE:
AN ORDINANCE: (PART I) AUTHORIZING CLASS II AND CLASS III GAMING
OPERATIONS ON THE FORT APACHE INDIAN RESERVATION; (PART II)
ESTABLISHING A TRIBAL GAMING OFFICE, PROCEDURES FOR LICENSING,
REPORTING REQUIREMENTS, OPERATIONAL REQUIREMENTS, HEARINGS AND
PATRON DISPUTES, DISCIPLINARY PROCEEDINGS, ACCOUNTING REGULATIONS,
SPECIFICATION OF CHIPS AND TOKENS, ENFORCEABILITY OF CREDIT
INSTRUMENTS.

CHAPTER 1.000 Purpose

The [Tribal Council of the White Mountain Apache Tribe (hereinafter "Tribe"), empowered by the Tribe's Constitution to enact ordinances, hereby enacts this ordinance in order to set the terms for Class II and Class III gaming operations on tribal lands and to comply with the requirements of the National Indian Gaming Commission.

CHAPTER 2.000 Gaming Authorized

Class II gaming as defined in the Indian Gaming Regulatory Act, P.L. 100-447, 25 U.S.C. Section 2703(7)(A) ("IGRA") and by the regulations promulgated by the National Indian Gaming Commission at 25 C.F.R. § 502.3 (as published in the Federal Register at 57 FR 12382-12393, April 9, 1992) and Class III gaming as defined in 25 U.S.C. Section 2703(8) as authorized by the Tribal-State Compact executed June 24, 1993 is hereby authorized.

CHAPTER 3.000 Ownership of Gaming

The Tribe shall have the sole proprietary interest in and responsibility for the conduct of any gaming operation authorized by this ordinance.

CHAPTER 4.000 Use of Gaming Revenue

1. Net revenues from Class II and Class III gaming shall be used only for the following purposes: to fund tribal government operations and programs; provide for the general welfare of the Tribe and its members; promote tribal economic development; donate to charitable organizations; or help fund operations of local government agencies.

2. If the Tribe elects to make per capita payments to tribal members, it shall authorize such payments only upon approval of a plan submitted to the Secretary of the

Interior under 25 U.S.C. § 2710(b)(3).¹

CHAPTER 5.000 Audit

1. The Tribe shall cause to be conducted annually an independent audit of gaming operations and shall submit the resulting audit reports to the National Indian Gaming Commission.

2. All gaming related contracts that result in the purchase of supplies, services, or concessions in excess of \$25,000.00 annually, except contracts for professional legal and accounting services, shall be specifically included within the scope of the audit that is described in subsection A. above.

CHAPTER 6.000 Protection of the Environment and Public Health and Safety

Class II and Class III gaming facilities shall be constructed, maintained and operated in a manner that adequately protects the environment and the public health and safety.

CHAPTER 7.000 Licenses for Key Employees and Primary management Officials

The Tribe shall ensure that the policies and procedures set out in this section are implemented with respect to key employees and primary management officials employed at any Class II or Class III gaming enterprise operated on Indian lands:

1. Definitions

For the purposes of this section, the following definitions apply:

(a). Key employee means

1. A person who performs one or more of the following functions:
 - (1) Bingo Caller;
 - (2) Counting room supervisor
 - (3) Chief of security;
 - (4) Custodian of gaming supplies or cash;
 - (5) Floor manager;
 - (6) Pit boss;
 - (7) Dealer;

¹ Guidelines to Govern the Review and Approval of Per Capita Payments, memorandum to All Area Directors from the Assistant Secretary - Indian Affairs, December 21, 1992.

- (8) Croupier;
- (9) Approver of credit; or
- (10) Custodian of gambling or gaming devices including persons with access to cash and accounting records within such devices;

- 2. If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year; or
- 3. If not otherwise included, the four most highly compensated persons in the gaming operation.

(b). Primary management official means

- 1. The person having management responsibility for a management contract;
- 2. Any person who has authority:
 - (11) To hire and fire employees; or
 - (12) To set up working policy for the gaming operation; or
- 3. The chief financial officer or other person who has financial management responsibility.

2. Application Forms

(a) The following notice shall be placed on the application form for a key employee or a primary management official before that form is filled out by an applicant:

In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. 2701 et seq. The purpose of the requested information is to determine the eligibility of individuals to be employed in a gaming operation. The information will be used by National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions or when pursuant to a requirement by a tribe or the National Indian Gaming Commission in connection with the hiring or firing of an employee, the issuance or revocation of a gaming license, or investigations of activities while associated with a tribe or a gaming operation. Failure to consent to the disclosures indicated in this notice will result in a tribe's being unable to hire you in a primary management

official or key employee position.

The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.

(b). Existing key employees and primary management officials shall be notified in writing that they shall either:

1. Complete a new application form that contains a Privacy Act notice; or
2. Sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice.

(c). The following notice shall be placed on the application form for a key employee or a primary official before that form is filled out by an applicant.

A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment.

(U.S. Code, Title 18, Section 1001.)

(d). The Tribe shall notify in writing existing key employees and primary management officials that they shall either:

- a. Complete a new application form that contains a notice regarding false statements; or
- b. Sign a statement that contains the notice regarding false statements.

3. Background Investigations

(a). The Tribe shall request from each primary management official and from each key employee all of the following information:

1. Full name, other names used (oral or written), social security number(s), birth date, place of birth, citizenship, gender, all languages (spoken or written);
2. Currently and for the previous 5 years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers

license numbers;

3. The names and current addresses of at least three personal references, including one personal reference who was acquainted with the applicant during each period of residence listed under paragraph (1)(b) of this section;
4. Current business and residence telephone numbers;
5. A description of any existing and previous business relationships with Indian tribes, including ownership interests in those businesses;
6. A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;
7. The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
8. For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date and disposition, if any;
9. For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations), within 10 years of the date of the application, the name and address of the court involved and the date and disposition;
10. For each criminal charge (excluding minor traffic charges), whether or not there is a conviction, if such criminal charge is within 10 years of the date of the application and is not otherwise listed pursuant to paragraph (1)(h) or (1)(i) of this section, the criminal charge, the name and address of the court involved and the date and disposition;
11. The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;
12. A current photograph;

13. Any other information the Tribe deems relevant; and
14. Fingerprints consistent with procedures adopted by the Tribe according to 25 C.F.R. § 522.2(h).

(b). The Tribe shall conduct an investigation sufficient to make a determination under subsection 4. below. In conducting a background investigation, the Tribe or its agent shall promise to keep confidential the identity of each person interviewed in the course of the investigation.

4. Eligibility Determination

The Tribe shall review a person's prior activities, criminal record, if any, and reputation, habits and associations to make a finding concerning the eligibility of a key employee or primary management official for employment in a gaming operation. If the Tribe determines that employment of the person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming, a tribal gaming operation shall not employ that person in a key employee or primary management official position.

5. Procedures for Forwarding Applications and Reports for Key Employees and Primary Management Officials to the National Indian Gaming Commission

(a). When a key employee or primary management official begins work at a gaming operation authorized by this ordinance, the Tribe shall forward to the National Indian Gaming Commission a completed application for employment and conduct the background investigation and make the determination referred to in subsection 4. of this section.

(b). The Tribe shall forward the report referred to in subsection 6. of this section to the National Indian Gaming Commission within 60 days after an employee begins work or within 60 days of the approval of this ordinance by the Chairman of the National Indian Gaming Commission.

(c). The gaming operation shall not employ as a key employee or primary management official a person who does not have a license after 90 days.

6. Report to the National Indian Gaming Commission

(a). Pursuant to the procedures set out in subsection 5 of this section, the Tribe shall prepare and forward to the National Indian Gaming Commission an investigative report on each background investigation. An investigative report shall include

all of the following:

1. Steps taken in conducting a background investigation;
2. Results obtained;
3. Conclusions reached; and
4. The bases for those conclusions.

(b). The Tribe shall submit, with the report, a copy of the eligibility determination made under subsection 4. of this section.

(c). If a license is not issued to an applicant, the Tribe:

1. Shall notify the National Indian Gaming Commission; and
2. May forward copies of its eligibility determination and investigative report (if any) to the National Indian Gaming Commission for inclusion in the Indian Gaming Individuals Records System.

(d). With respect to key employees and primary management officials, the Tribe shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the National Indian Gaming Commission or his or her designee for no less than three (3) years from the date of termination of employment.

7. Granting a Gaming License

(a). If, within a thirty (30) day period after the National Indian Gaming Commission receives a report, the National Indian Gaming Commission notifies the tribe that it has no objection to the issuance of a license pursuant to a license application filed by a key employee or a primary management official for whom the tribe has provided an application and investigative report to the National Indian Gaming Commission, the Tribe may issue a license to such applicant.

(b). The Tribe shall respond to a request for additional information from the Chairman of the National Indian Gaming Commission concerning a key employee or a primary management official who is the subject of a report. Such a request shall suspend the 30-day period under paragraph 7.(a). of this section until the Chairman of the National Indian Gaming Commission receives the additional information.

(c) If, within the thirty (30) day period described above, the National Indian

Gaming Commission provides the Tribe with a statement itemizing objections to the issuance of a license to a key employee or to a primary management official for whom the Tribe has provided an application and investigative report to the National Indian Gaming Commission, the Tribe shall reconsider the application, taking into account the objections itemized by the National Indian Gaming Commission. The Tribe shall make the final decision whether to issue a license to such applicant.

8. License Suspension

(a). If, after the issuance of a gaming license, the Tribe receives from the National Indian Gaming Commission reliable information indicating that a key employee or a primary management official is not eligible for employment under subsection 4. above, the Tribe shall suspend such license and shall notify in writing the licensee of the suspension and the proposed revocation.

(b). The Tribe shall notify the licensee of a time and a place for a hearing on the proposed revocation of a license.

(c). After a revocation hearing, the Tribe shall decide to revoke or to reinstate a gaming license. The Tribe shall notify the National Indian Gaming Commission of its decision.

CHAPTER 8.000 License Locations

The Tribe shall issue a separate license to each place, facility, or location on Indian lands where Class II or Class III gaming is conducted under this ordinance.

PART II
CHAPTER 1
Definitions

1.000 Definitions. Unless a different meaning is clearly indicated, the terms used in this Ordinance shall have the same meaning as defined in the "Indian Gaming Regulatory Act," Public Law 100-497, 25 U.S.C. §§ 2701 et seq. (the "Act") and in the White Mountain Apache Tribe - State of Arizona Gaming Compact (the "Compact").

1.010 "Act" means the Indian Gaming Regulatory Act, Public Law 100-497, 25 U.S.C. §§ 2701-2721 and 18 U.S.C. §§1166-1168.

1.020 "Applicant" means any person who has applied for a license or certification under the provisions of the Compact, or employment with a Gaming Facility Operator, or approval of any act or transaction for which approval is required or permitted under the provisions of the Compact.

1.030 "Application" means a request for the issuance of a license or certification or for employment by a Gaming Facility Operator, or for approval of any act or transaction for which approval is required or permitted under the provisions of the Compact.

1.040 "Class I Gaming" means all forms of gaming defined as Class I in Section 4(6) of the Act, 25 U.S.C. §2703(6).

1.050 "Class II Gaming" means all forms of gaming defined as Class II in Section 4(7) of the Act, 25 U.S.C. §2703(7).

1.060 "Class III Gaming" means all forms of gaming as defined in Section 4(8) of the Act, 25 U.S.C. § 2703(8).

1.070 "Commissioner" means a member of the Tribal Gaming Office.

1.080 "Compact" means that written document executed June 24, 1993 by the White Mountain Apache Tribe and the State of Arizona governing the conduct of Class III gaming activities on Tribal lands.

1.090 "Credit instrument" means a writing which evidences a gaming debt owed to the Tribal Gaming Operation, and includes any writing taken in consolidation, redemption or payment of a prior credit instrument.

1.100 "Distributor" means a person who distributes Class III Gaming Devices and/or component parts thereof.

1.110 "Enterprise" means any corporation (other than a "publicly traded corporation" as defined hereinafter), firm, partnership, limited partnership, trust, or other form of business organization other than a Tribal enterprise wholly owned by the Tribe; provided, however, that the term "enterprise" shall also include each corporation, firm, partnership, limited partnership trust or other form of business organization not a natural person which, directly or indirectly, owns, has the power or right to control or holds with the power to vote all or any part of the outstanding voting securities, partnership interests, limited partnership interests or beneficial interest in a trust which holds or applies for a license or finding of suitability under the provisions of the Compact and this Ordinance.

1.120 "Equity security" means for each of the following:

1. Corporation - Any voting stock, or similar security; and security convertible, with or without consideration, into such a security, or carrying any warrant or right to subscribe to or purchase such a security; any warrant or right; or any security having a direct or indirect participation in the profits of the issuer.

2. Limited partnership - an interest representing the right of a general or limited partner to receive from a limited partnership: a share of the profits; any other compensation by way of income; or a return of any or all of his contribution to capital of the limited partnership; or the right to exercise any of the rights or powers provided in the Limited Partnership Act in the Arizona Revised Statutes.

3. Partnership - an interest representing the right of a partner to receive from a partnership: a share of the profits; any other compensation by way of income; or a return of any or all of his contribution to capital of the partnership; or the right to exercise any of the rights or powers provided in the Uniform Partnership Act of the Arizona Revised Statutes.

1.130 "Executive Director" means the Executive Director appointed by the Tribal Gaming Office.

1.140 "Finding of suitability" means an approval granted to a person or enterprise directly or indirectly involved with the Gaming Operation and relates only to the specified involvement for which it was made. If the nature of the involvement changes from that for which the applicant is found suitable, the Tribal Gaming Office may require the person or enterprise to submit for a determination of suitability in the new capacity.

1.150 "Game" and "gambling game" means any game played with cards, dice, equipment or any mechanical, electromechanical or electronic device or machine for

money, property, checks, credit or any representative of value, including any banking or percentage game.

1.160 "Gaming" or "gambling" or "Gaming Activity" means to deal, operate, carry on, conduct, maintain or expose for play any game, slot machine, gaming device, pari-mutuel operation, off-track pari-mutuel operation, interstate common pari-mutuel pool, or race book as defined in the Compact or this Ordinance and means all forms of Class II and Class III gaming owned and operated by the Tribe and conducted within the Indian Lands of the Tribe.

1.170 "Gaming device" or "Electronic Game of Chance" means a microprocessor-controlled electronic device which allows a player to play games of chance, some of which are affected by skill, which device is activated by the insertion of a coin, currency, tokens or by the use of a credit, and which awards game credits, cash, tokens, replays or a receipt that can be redeemed by the player for any of the foregoing. Game play may be displayed by:

- (1) Video facsimile; or
- (2) Mechanical rotating reels whereby the software of the device predetermines the stop positions and the presence, or lack thereof, of a winning combination and pay out, if any.

1.180 "Gaming employee" means any person employed as a Primary Management Official or Key Employee of a Gaming Operation of the Tribe and any person employed in the operation or management of a Gaming Operation, including, but not limited to, any person whose employment duties require or authorize access to restricted areas of a Gaming Facility not otherwise open to the public.

1.190 "Gaming equipment" means any equipment or, mechanical, electromechanical or electronic contrivance, component or machine used remotely or directly in connection with gaming, any game that would not otherwise be classified as a gaming device, including dice, playing cards, equipment which affects the proper reporting of gaming revenue, computerized systems for monitoring gaming devices and devices for weighing or counting money.

1.200 "Gaming Facility" or "gaming facilities" means the buildings, improvements and facilities in which Class III gaming, as authorized by the Compact, is conducted and also includes where Class II gaming is conducted.

1.210 "Gaming Operation" means any Gaming Activity conducted within any Gaming Facilities.

1.220 "Gaming Facility Operator" means the Tribe, an enterprise owned by the

Tribe, or such other entity of the Tribe as the Tribe may from time to time designate by written notice to the State as the wholly-owned Tribal entity having full authority and responsibility for the operation and management of Class III Gaming Activities.

1.230 "Gaming services" means the providing of any goods or services, except for legal services, to the Tribe in connection with the operation of Class III Gaming in a Gaming Facility, including but not limited to equipment, transportation, food, linens, janitorial supplies, maintenance or security services for the Gaming Facility, in an amount in excess of \$10,000 in any single month.

1.240 "Gross gaming revenue" means the total of all cash received as winnings, cash received in payment for credit extended by the Gaming Operation to a patron, and compensation received by the Gaming Operation for conducting any game in which the Gaming Operation is not a party to the wager, less the total of all cash paid out as losses to patrons.

1.250 "Internal control system" means written administrative and accounting procedures for the purpose of exercising effective control over the internal fiscal affairs of the Gaming Operation.

1.260 "Interstate common pari-mutuel pool" means a pari-mutuel pool consisting of pari-mutuel wagers placed at a track, its intrastate betting locations, other jurisdictions and the off-track pari-mutuel wagers placed and accepted by pari-mutuel books.

1.270 "License" means an approval issued by the Tribal Gaming Office to any natural person or entity to be involved in the Gaming Operation or in the providing of Gaming Services to the Tribe.

1.280 "Licensee" means any natural person or entity who has been licensed by the Tribal Gaming Office to be involved in the Gaming Operation or in the providing of Gaming Services to the Tribe.

1.290 "Live Broadcast" means an audio and video transmission of a race, or series of races, as it occurs at a track, whether or not it is furnished by a disseminator for a fee.

1.300 "Management Contract" means a contract within the meaning of 25 U.S.C. §§2710(d)(9) and 2711.

1.310 "Management Contractor" means a natural person or entity that has entered into a Management Contract with the Tribe or a Gaming Facility Operator which has been approved pursuant to 25 U.S.C. §§2710(d)(9) and 2711.

1.320 "Manufacturer" means a natural person or entity that manufactures Gaming

Devices and/or component parts thereof as defined by this Compact for use or play in the Gaming Facilities.

1.330 "Net revenue" means gross revenues of a gaming activity less amounts paid out as, or paid for, prizes, winnings, and total operating expenses, excluding management fees.

1.340 "Off-track pari-mutuel wager" means a wager placed by a patron and accepted by the Gaming Operation's pari-mutuel book on a race or races offered as part of an interstate common pari-mutuel pool whether or not the wager is actually included in the total amount of the interstate wagering pool.

1.350 "Ordinance" means this White Mountain Apache Tribe Gaming Ordinance.

1.360 "Pari-mutuel" means a system of wagering on a race or sporting event whereby the winners divide the total amount wagered, after deducting commission, fees, and taxes, in proportion to the amount individually wagered.

1.370 "Principal" means with respect to any Person:

- (1) Each of its officers and directors;
- (2) Each of its principal management employees, including any chief executive officer, chief financial officer, chief operating officer or general manager;
- (3) Each of its owners or partners, if an unincorporated business;
- (4) Each of its shareholders who own more than ten (10) percent of the shares of the corporation, if a corporation;
- (5) Each person other than a banking institution who has provided financing for the entity constituting more than ten (10) percent of the total financing of the entity, and
- (6) Each of the beneficiaries, or trustees of a trust.

1.380 "Publicly traded corporation" means any corporation or other legal entity except a natural person which has one or more classes of securities registered pursuant to section 12 of the Securities Exchange Act of 1934, as amended (15 U.S.C. § 781), or is an issuer subject to section 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. § 780).

1.390 "Race book" means the business of accepting wagers upon the outcome

of any event held at a track which uses the pari-mutuel system of wagering.

1.400 "Regulation" means a rule, standard, directive or statement of general applicability which effectuates the provisions and policy of the Compact, this Ordinance or the policy of the Tribe.

1.410 "Reservation" or "Tribal lands" means White Mountain Apache Tribe Indian lands as defined by 25 U.S.C. § 2703 (4)(A) and (B), subject to the provisions of 25 U.S.C. § 2719.

1.420 "Slot machine" means and includes Gaming Device as that term is defined in Section 2(l) of the Compact and Section 1.170 of this Ordinance.

1.430 "State" means the State of Arizona, its authorized officials, agents and representatives.

1.440 "State Gaming Agency" means the agency of the State which the Governor may from time to time designate by written notice to the Tribe as the single state agency which shall act on behalf of the State under this Compact.

1.450 "Subsidiary" means a corporation all or any part of whose outstanding voting securities are owned, subject to a power or right of control, or held with power to vote by a publicly traded corporation or other holding company.

1.460 "Track" means an in-state or out-of-state facility licensed to operate horse or other racing where pari-mutuel wagering on races is conducted. Where applicable, the term also includes a person or governmental agency in Arizona or outside Arizona that operates a track or shares in its revenues and also includes an association of tracks.

1.470 "Tribal Council" or "Council" means the Tribal Council of the White Mountain Apache Tribe.

1.480 "Tribal Gaming Office" means the department, agency or commission designated by action of the Tribal Legislative Council as the Tribal entity which shall exercise the civil regulatory authority of the Tribe over Class III Gaming Activities within the Tribe.

1.490 "Tribal law enforcement agency" means the police force of the Tribe established and maintained by the Tribe pursuant to the Tribe's powers of self-government to carry out law enforcement within the Tribal Lands.

1.500 "Tribal" means the White Mountain Apache Tribe its authorized officials, agents and representatives.

1.510 "Tribe" means the White Mountain Apache Tribe, its authorized officials, agents and representatives.

CHAPTER 2

ADMINISTRATION

2.010 Tribal Gaming Office. The White Mountain Apache Tribal Gaming Office is hereby established. The Tribal Gaming Office shall consist of five Commissioners appointed by a majority of the Tribal Council. The Commissioners must be a member of the Tribe or a person with adequate experience in gaming operations, the practice of gaming law, gaming control or regulation, law enforcement or accounting. A Commissioner shall serve for 3 years and may be removed from office prior to the end of his or her term for cause or by a majority vote of the Tribal Council pursuant to a public hearing. In order to establish an annually staggered appointment schedule, the first Commissioners shall be appointed by the Tribal Council as follows: two Commissioners shall serve three year terms, two Commissioners shall serve 2 year terms, and one Commissioner shall serve a one year term for the initial appointment terms only. Thereafter, all successive terms of appointment shall be for 3 years. Vacancies shall be filled within 60 days by the Tribal Council.

2.020 Restrictions on Tribal Gaming Office. Commissioners may hold other Tribal positions and may engage in business, provided, however, that they shall not engage in any business which is subject to the provisions of this Ordinance. Commissioners may not gamble in the Gaming Facility nor may they have any personal financial interest in any gambling by any patron of the Gaming Facility.

2.030 Compensation. Commissioners shall be compensated at the rate to be established annually by the Tribal Council. Commissioners shall be reimbursed for actual expenses incurred on Tribal Gaming Office business, including necessary and reasonable travel expenses.

2.040 Selection of Chairperson. The Tribal Gaming Office shall select annually from its membership a Chairperson, who shall have the power to convene special meetings of the Commission upon 72 hours written or oral notice to members of the Tribal Gaming Office.

2.050 Meetings Open to Public. General meetings of the Tribal Gaming Office shall be open to the public, and all meetings shall be governed by Roberts Rules of order or Rules of Parliamentary Procedure customarily used by the Tribal Council.

2.060 Quorum. A quorum shall consist of 3 members of the Tribal Gaming Office. All decisions shall be made by a majority vote of the Tribal Gaming Office, unless indicated otherwise in this Ordinance.

2.070 Quarterly Reports. The Tribal Gaming Office shall make quarterly reports

to the Council within 30 days after the close of the calendar quarter for which the information is being required. The reports shall include a full and complete statement of gaming revenues paid to the Tribe, expenses and all other financial transactions of the Tribal Gaming Office and a summary of all licensing and enforcement actions.

2.080 Necessary Powers. The Tribal Gaming Office shall exercise all powers necessary to effectuate the purposes of this Tribal Gaming Ordinance. The Tribal Gaming Office may exercise any proper power and authority necessary to perform the duties assigned to it by this Tribal Gaming Ordinance or the Tribal Council, and is not limited by the enumeration of powers in this Ordinance. The Tribal Gaming Office shall meet with the Executive Director not less than once each calendar quarter to make recommendations and set policy, to approve or reject reports of the Executive Director and transact other business that may be properly brought before it.

2.090 Regulations. The Tribal Gaming Office is empowered to adopt, amend and repeal regulations subject to final approval by the Tribal Council to effectuate the provisions of the Compact, this Tribal Gaming Ordinances and the Tribe's gaming policy. Regulations shall be adopted, amended or repealed in accordance with the following procedures:

1. At least 10 days before the initial meeting of the Tribal Gaming Office and 5 days before any subsequent meeting at which the adoption, amendment or repeal of a regulation is considered, notice of the proposed action must be:

- a. Published in such locations as the Tribal Gaming Office prescribes;
- b. Mailed to the State Gaming Agency and to every person who has filed a request therefor with the Tribal Gaming Office; and
- c. When the Tribal Gaming Office deems advisable, mailed to any person whom the Tribal Gaming Office believes would be interested in the proposed action, and published in such additional form and manner as the Tribal Gaming Office prescribes.

2. The notice of proposed adoption, amendment or repeal must include:

- a. A statement of the time, place and nature of the proceedings for adoption, amendment or repeal;
- b. Reference to the authority under which the action is proposed; and
- c. Either the express terms or an informative summary of the proposed action.

3. On the date and at the time and place designated in the notice, the Tribal

Gaming Office shall afford any interested person or his authorized representative, or both, the opportunity to present statements, arguments or contentions in writing, with or without opportunity to present them orally. The Tribal Gaming Office shall consider all relevant matter presented to it, and shall obtain the concurrence of the State Gaming Agency, if required by and in accordance with Compact provisions for changes in technical standards for Gaming Devices or changes in regulations, before adopting, amending or repealing any regulation.

4. Any interested member of the Tribe, licensee or Manager may file a petition with the Tribal Gaming Office requesting the adoption, amendment or repeal of a regulation. The petition must state, clearly and concisely:

- (1) The substance or nature of the regulation, amendment or repeal requested;
- (2) The reasons for the request; and
- (3) Reference to the authority of the Tribal Gaming Office to take the action requested.

Upon receipt of the petition, the Tribal Gaming Office shall within 30 days deny the request in writing or schedule the matter for action pursuant to this subsection.

5. In emergencies, the Tribal Gaming Office may, with the concurrence of the State Gaming Agency, if required by the Compact, summarily adopt, amend or repeal any regulation affecting Class III gaming if at the same time it files a finding that such action is necessary for the immediate preservation of the public peace, health, safety, morals, good order or general welfare, together with a statement of the facts constituting the emergency.

6. In any hearing under this section, the Tribal Gaming Office or its duly authorized representative may administer oaths or affirmations, and may continue or postpone the hearing from time to time and at such places as it prescribes.

7. The Tribal Gaming Office may request the advice and assistance of the Tribal Council in carrying out the provisions of this section.

2.100 Personnel. The Tribal Gaming Office shall hire personnel necessary to ensure the proper enforcement of the provisions of the Compact, this and any other Gaming Ordinance. The Tribal Gaming Office shall consult with and obtain the approval of the Tribal Council to determine a budget for the hiring and retention of all necessary personnel, and to determine the qualifications required for hiring.

2.110 Forms. Any application or reporting form utilized by the Arizona State Gaming Agency or the Arizona Gaming Commission shall be deemed to satisfy the requirements of this and other Gaming Ordinances with respect to the use of forms.

CHAPTER 3

APPLICATIONS: PROCEDURE

3.010 Applications; general.

1. Any gaming license or finding of suitability which is issued by the Tribal Gaming Office shall be deemed to be a revocable privilege and no person holding such a license or finding of suitability by the Tribal Gaming Office is deemed to have acquired any vested rights therein.

2. An application for a license or finding of suitability is seeking the granting of a privilege, and the burden of proving qualification to receive such license or finding of suitability is at all times on the applicant. An applicant must accept any risk of adverse public notice, embarrassment, criticism, or other action or financial loss which may result from action with respect to an application and expressly waive any claim for damages against the Tribe and the State as a result thereof.

3. An application for a license or a finding of suitability, besides any other factor attaching to such an application by virtue of the Compact and this Ordinance, shall constitute a request to the Tribal Gaming Office for a decision upon the applicant's general suitability, character, integrity, and ability to participate or engage in, or be associated with, the Gaming Operation in the manner or position sought by the application, or the manner or position generally similar thereto; and, by filing an application with the Tribal Gaming Office, the applicant specifically consents to the making of such a decision by the Tribal Gaming Office at its election when the application, after filing, becomes moot for any reason other than death.

3.020 Waiver of privilege. An applicant may claim any privilege afforded by the Constitution of the United States, the Tribe or the State, in refusing to answer questions by the Tribal Gaming Office or the State Gaming Agency. However, a claim of privilege with respect to any testimony or evidence pertaining to an application may constitute sufficient grounds for denial.

3.030 Applications, notices, statements and reports; contents; amendments; incorporation by reference; proceedings not to have substantive implications.

1. Every application, statement, notice or report must be filed on forms furnished or approved by the Tribal Gaming Office and comply with Privacy Act Notices required by the National Indian Gaming Commission and the Compact and must contain and be accompanied and supplemented by such documents and information as may be specified or required by the Tribe's Gaming Ordinance and by the National Indian Gaming Commission. Failure to supply the information requested within 10 days after the request

has been received by the applicant constitutes grounds for delaying consideration of the application.

2. It is grounds for denial of an application or disciplinary action for any person to make any untrue statement of material fact in any application, notice, statement or report filed with the Tribal Gaming Office or State Gaming Agency in compliance with the provisions of law referred to in paragraph 1 or willfully to omit to state in any such application, notice, statement or report any material fact which is required to be stated therein or omit to state a material fact necessary to make the facts stated in view of the circumstances under which they were stated, not misleading.

3. All information required to be included in an application must be true and complete as of the dates of the Tribal Gaming Office action sought by such application; and an applicant shall promptly supply by amendment prior to such date any information based on facts occurring after the original application so as to make such information not misleading as of the date of such action by the Tribal Gaming Office.

4. An application may be amended in any respect by leave of the Tribal Gaming Office or State Gaming Agency at any time prior to final action thereon by the Tribal Gaming Office. Any amendment to an application shall have the effect of establishing the date of such amendment as the new filing date of such application with respect to the time requirements in the Compact or this Ordinance for action on such application.

5. Any document filed under any of the provisions of the Compact or this Ordinance may be incorporated by reference in a subsequent application if it is available in the files of the Tribal Gaming Office or the State Gaming Agency, to the extent that the document is currently accurate.

3.040 Tribal Application and investigative fees.

1. Except as otherwise provided herein, all fees and costs incurred in conjunction with the investigation of any application to the Tribal Gaming Office must be paid by the applicant in the manner prescribed by this Section.

2. Applications for the following licenses, findings of suitability and approvals must be accompanied by the following nonrefundable fees:

| | | | |
|----|------------------------|---|------------|
| a. | Manufacturer | - | \$1,500.00 |
| b. | Distributor | - | 1,500.00 |
| c. | Manager | - | 1,500.00 |
| d. | Gaming services | - | 150.00 |
| e. | Principals | - | 500.00 |
| f. | Key employees | - | 500.00 |
| g. | Other gaming employees | - | 150.00 |

3. In addition to any nonrefundable application fees paid, the Tribal Gaming Office or State Gaming Agency may require an applicant to pay such supplementary investigative fees and costs as may be determined by the Tribal Gaming Office or State Gaming Agency pursuant to the Compact. The Tribal Gaming Office or State Gaming Agency may estimate the supplementary investigative fees and costs and require a deposit to be paid by the applicant in advance as a condition precedent to beginning or continuing an investigation.

4. The Tribal Gaming Office will not take final action to approve any application unless all application and investigative fees and costs have been paid in full. The Tribal Gaming Office may deny the application if the applicant has failed or refused to pay all application and investigative fees and costs.

5. After all supplementary investigative fees and costs have been paid by an applicant, the Tribal Gaming Office shall refund to the person who made the required deposit any balance remaining in the investigative account of the applicant.

3.050 Summoning of applicants. The Tribal Gaming Office and Tribal police may summon any person applying for a license, finding of suitability or employment to appear and testify before it or its agents at such time and place as it may designate. All such testimony may be under oath and embrace any matter which the Tribal Gaming Office, Tribal police, or its agents may deem relevant to the application. Failure to so appear and testify fully at the time and place designated, unless excused, constitutes grounds for denial of the application without further consideration by the Tribal Gaming Office.

3.060 Hearing on applications. Upon the conclusion of a certification investigation by the State Gaming Agency, the Tribal Gaming Office may, in its discretion, hold a hearing to consider an application. The applicant shall be given at least 15 days advance written notice of such hearing by certified mail, return receipt requested. Failure of the applicant to appear at such hearing and testify fully at the time and place designated, unless excused, constitutes grounds for denial of the application without further consideration by the Tribal Gaming Office.

3.070 Withdrawal of application.

1. A request for withdrawal of an application may be made at any time prior to final action upon the application by the Tribal Gaming Office by filing a written request to withdraw with the Tribal Gaming Office.

2. The Tribal Gaming Office may, in its discretion, deny the request, or grant the request with or without prejudice.

3. If a request for withdrawal is granted with prejudice, the applicant is not eligible to apply again for licensing or approval until after expiration of one year from the date of such withdrawal.

3.080 Application after denial. Any person or enterprise whose application has been denied is not eligible to apply again for a license, finding of suitability or approval until after expiration of one year from the date of such denial, unless the Tribal Gaming Office advises that the denial is without prejudice as to delay in reapplication.

3.090 Applications for employment after denial or revocation. Following a decision by the Tribal Gaming Office to deny an application for employment made pursuant to the provisions of the Compact, or to revoke a work permit, a succeeding application for employment must not be entertained by the Tribal Gaming Office for a period of two years from the date of the Tribal Gaming Office's decision on the preceding application.

3.100 Unsuitable affiliates. The Tribal Gaming Office may deny, revoke, suspend, limit, condition, or restrict any license or finding of suitability or application therefor upon the grounds that the enterprise or person licensed or found suitable is associated with, or controls, or is controlled by, or is under common control by, an unsuitable person.

3.110 Standards for licensing.

1. Tribal Employment Standards: Neither the issuance of a license by the Tribal Gaming Office nor the issuance of certification by the State Gaming Agency creates or implies a right of employment or continued employment. The Gaming Facility Operator shall not employ, and if already employed, shall terminate, a Gaming Employee if it is determined by the Tribal Gaming Office, that the Applicant:

- a. has been convicted of any felony or gaming offense;
- b. has knowingly and willfully provided materially important false statements or information or omitted materially important information on his or her employment Application for employment at the Gaming Facility or background questionnaire; or
- c. is determined to be a person whose prior activities, criminal record, if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, and methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto.

2. No license or finding of suitability shall be granted to a management contractor unless and until the applicant has satisfied the Tribal Gaming Office that the funding of the enterprise is (a) adequate for the nature of the enterprise, and (b) from a suitable source. The suitability of the source of funds shall be determined by the standards enumerated in paragraph 1(a), (b) and (c) above. Prior to issuing any license or finding of suitability, the Tribal Gaming Office shall notify the Commission of the results of the investigation.

3.120 Licensing of a natural person under the age of eighteen prohibited. The Tribal Gaming Office will not grant a license or finding of suitability to an individual under eighteen years of age. No person under 21 years of age shall be employed in the service of alcoholic beverages at any Gaming Facility, unless otherwise permitted under state liquor laws and regulations.

3.121 Duration and Renewal of Tribal Licenses and State Certifications. Any Tribal license or State Certification shall be effective for one (1) year from the date of issuance; provided, that a licensed or certified employee or person that has applied for renewal may continue to be employed or engaged under the expired license or State Certification until action is taken on the renewal Application by the Tribal Gaming Office or the State Gaming Agency. Applicants for renewal of a license or certification shall provide updated material as requested, on the appropriate renewal forms, but shall not be required to resubmit historical data already available to the Tribal Gaming Office or the State Gaming Agency. Additional background investigations shall not be required of Applicants for renewal unless new information concerning the Applicant's continuing eligibility for a license or a State Certification is discovered by either the Tribal Gaming Office or the State Gaming Agency.

3.122 Identification Cards. The Gaming Facility Operator shall require all Gaming Employees to wear in plain view, identification cards, issued by the Tribal Gaming Office which include photograph, first and last name and an identification number unique to the individual Tribal license and which shall include a Tribal seal or signature, and a date of expiration.

CHAPTER 4

REPORTING REQUIREMENTS

4.010 Property report.

1. Definitions. In addition to the terms defined in this Ordinance, the following definitions shall apply:

a. "Lessor" means any person who leases or rents any property, real or personal, to the Gaming Operation.

b. "Lease" means any formal or informal, written or oral, contract or understanding or arrangement whereby any operating licensee obtains the use or possession of any property, real or personal, to be used, occupied, or possessed in connection with the Gaming Operation. The term "lease" includes, without limitation, payments made to an affiliated, controlled or not controlled, controlling or not controlling, person under a real property lease, a personal property lease, an unsecured note, a deed of trust, a mortgage, or a trust indenture.

2. Reports by Gaming Facility Operator. The Gaming Facility Operator shall report to the Tribal Gaming Office all leases to which it is a party not later than 30 days after the effective date of the lease, unless required earlier by agreement, and shall include the following information:

a. The name, address, and a brief statement of the nature of the business of the lessor.

b. A brief description of the material terms of the lease.,

c. A brief description of any business relationships between the operating licensee and the lessor other than by the lease.

3. Periodic reports. The Gaming Facility Operator shall report to the Tribal Gaming Office any changes in the lease within 30 days after such changes occur.

4.020 Employee report.

1. Annually, on or before the 30th of April, the Gaming Facility Operator shall submit an employee report to the Tribal Gaming Office on a form to be furnished by the Tribal Gaming Office. The report shall identify every individual who is directly or indirectly engaged in the administration or supervision of the Gaming Operation or physical security

activities of the Gaming Facility Operator. The following classes of gaming employees are presumed to be actively and directly engaged in the administration or supervision of gaming:

a. All individuals who are compensated in any manner in excess of \$20,000 per annum;

b. All individuals who may approve or extend gaming credit in any amount, or whose recommendations in this regard are ordinarily sought or followed;

c. All individuals who have authority to hire or terminate gaming employees;

d. All individuals who have the authority to supervise or direct a shift of any gaming or security activity, including but not limited to supervision or direction of the gaming device area, keno or bingo games, slot machines, race or sports books, pari-mutuel operations, or any persons having authority to supervise or direct such persons;

e. All individuals who regularly participate in the count more frequently than one day in each week or who actually participate in the count more than 10 days in any 30-day period;

f. All individuals who may approve or extend to casino patrons complimentary house services other than beverages only;

g. All individuals who supervise or direct other employees engaged in the control of gaming assets and revenues and record keeping, including the recording of cash and evidences of indebtedness, and the maintenance, review or control of the records, accounts, and reports of transactions which are required to be kept;

h. Any individual who has been specifically represented to the Tribal Gaming Office by the Gaming Facility Operator or Manager as being important or necessary to the operation of the Gaming Facility;

i. All persons who individually or as part of a group formulate management policy.

2. The annual employee report shall also include a description of the gaming duties, casino responsibilities, and casino authority delegated to each individual identified in the report.

3. Any changes, additions, or deletions to any information contained within the annual employee report which occurs subsequent to the filing of the report and prior to the

filing of the report for the next calendar year shall be reported to the Tribal Gaming Office in writing no less than 10 days after the end of the calendar quarter during which the change, addition, or deletion occurred.

4.030 Key employees.

1. Any employee as that term is defined in Section 2(v) of the Compact and Chapter 7.000, 1.(a). of Part I of this Gaming Ordinance.

2. Whenever it is the judgment of the Tribal Gaming Office that the policies set forth in the Compact or this Ordinance will be served by requiring any principal or key employee to be licensed or found suitable, the Tribal Gaming Office shall serve notice of such determination upon the Gaming Facility Operator, Manager or the licensee, as appropriate. The Tribal Gaming Office shall not be restricted by the title of the job performed but shall consider the functions and responsibilities of the person involved in making its decision as to key employee status. Grounds for requiring licensing of a key employee which are deemed to serve the public interest and the policies of the Tribe include but are not limited to the following:

a. The key employee is new to the Gaming Facility Operator, Manager, or the business of the licensee, the position, or the level of influence or responsibility which he has and the Tribal Gaming Office has little or outdated information concerning his character, background, reputation, or associations, or

b. Information has been received by the Tribal Gaming Office which, if true, would constitute grounds for a finding of unsuitability to be associated with the Gaming Facility Operator, Manager or a licensee.

3. The Gaming Facility Operator, Manager, or licensee shall, within 30 days following receipt of the notice of the Tribal Gaming Office's determination, present the application for licensing of the key employee to the Tribal Gaming Office or provide documentary evidence that such key employee is no longer employed by the Gaming Facility Operator, Manager, or licensee. Failure of the Gaming Facility Operator, Manager, or licensee to respond as required by this section shall constitute grounds for disciplinary action.

4.040 Loans to Gaming Facility Operator. Whenever the Gaming Facility Operator applies for or receives, accepts, or makes use of any cash, property, credit, guarantee, or other form of security loaned to, or provided for, or on behalf of the Gaming Facility Operator, it shall notify the Tribal Gaming Office within 30 days of such transaction. Such notice shall be on forms provided by the Tribal Gaming Office and shall include a report of the names and addresses of all parties to the transaction, the amount and source of the funds, property or credit received or applied, the nature and amount of security provided by or on behalf of the Gaming Facility Operator, the purpose of the transaction, and such other information as the Tribal Gaming Office may require. The

report shall be accompanied or supplemented by copies of documents, and such other supporting data as the Tribal Gaming Office may require. If, after such investigation as the Tribal Gaming Office deems appropriate, the Tribal Gaming Office finds that the transaction is inimical to the health, safety, morals, good order and general welfare of the Tribe, or would reflect, or tend to reflect, discredit upon the Tribe, the Tribal Gaming Office shall order the transaction rescinded within such time and upon such terms and conditions as it may deem appropriate.

4.050 Finding of suitability of a person holding an option to acquire an interest in a licensed enterprise.

1. No person shall acquire or be granted an option to purchase an equity security of a licensee without first notifying the Tribal Gaming Office, on such forms as may be required by the Tribal Gaming Office, of the terms and conditions upon which the option was granted or acquired. Additionally, any such person shall comply with applicable requirements of the Compact and the Act.

2. The Tribal Gaming Office may require the application of any person for a determination of suitability for that person to hold an option to purchase or otherwise obtain an interest in a licensee.

4.060 Furnishing of reports to State Gaming Agency. The Tribal Gaming Office shall furnish the State Gaming Agency with a copy of all reports filed under this Chapter pursuant to applicable Compact provisions.

CHAPTER 5

OPERATIONAL REQUIREMENTS

5.010 Methods of operation.

1. It is the policy of the Tribe to require that the Gaming Facility Operator, and all enterprises licensed or found suitable in connection therewith, are conducted in a manner suitable to protect the public health, safety, morals, good order and general welfare of the Tribe.

2. Responsibility for the employment and maintenance of suitable methods of operation rests with the licensee and the Gaming Facility Operator and willful or persistent use or toleration of methods of operation deemed unsuitable will constitute grounds for license revocation or other disciplinary action.

5.020 Grounds for disciplinary action. The Tribal Gaming Office deems that any activity on the part of the Gaming Facility Operator, Manager, or any licensee, his agents or employees, that is inimical to the public health, safety, morals, good order and general welfare of the Tribe, or that would reflect or tend to reflect discredit upon the Tribe, or the Gaming Facility Operator, to be an unsuitable method of operation and shall be grounds for disciplinary action, including summary suspension of any tribal license, by the Tribal Gaming Office in accordance with the Compact and the regulations of the Tribal Gaming Office. Without limiting the generality of the foregoing, the following acts or omissions may be determined to be unsuitable methods of operation:

1. Failure to exercise discretion and sound judgment to prevent incidents which might reflect on the repute of the Tribe and act as a detriment to the development of the Gaming Facility Operator.

2. Permitting persons who are visibly intoxicated to participate in gaming activity.

3. Complimentary service of intoxicating beverages in the casino area to persons who are visibly intoxicated.

4. Catering to, assisting, employing or associating with, either socially or in business affairs, persons who have been identified in writing by the Tribal Gaming Office or the State Gaming Agency as persons of notorious or unsavory reputation or who have extensive police records, or persons who have defied congressional investigative committees or other officially constituted bodies acting on behalf of the United States, or any state, or the employing either directly or through a contract, or any other means, of

any firm or individual in any capacity where the reputé of the Tribe or the Gaming Operation is liable to be damaged because of the unsuitability of the firm or individual or because of the unethical methods of operation of the firm or individual.

5. Employing in a position for which the individual could be required to be licensed as a key employee, any person who has been denied a license or a finding of suitability or who has failed or refused to apply for licensing as a key employee when so requested by the Tribal Gaming Office.

6. Employing in the Gaming Operation or the business of a licensee any person whom the Tribe or any court has found guilty of cheating or using any improper device in connection with any game, whether as a licensee, dealer, or player at a licensed game or device; as well as any person whose conduct of a licensed game as a dealer or other employee of a licensee resulted in revocation or suspension of the license of such licensee.

7. Failure to comply with or make provision for compliance with all federal, state and local laws and regulations pertaining to the operations of the Gaming Facility or a licensee, including, without limiting the generality of the foregoing, payment of all license fees, or withholding any payroll taxes.

8. Possessing or permitting to remain in or upon the premises of the Gaming Facility any cards, dice, mechanical device or any other cheating device whatever, the use of which is prohibited by statute or ordinance, or conducting, carrying on, operating or dealing any cheating or thieving game or device on the premises of the Gaming Facility, either knowingly or unknowingly, which may have in any manner been marked, tampered with or otherwise placed in a condition, or operated in a manner, which tends to deceive the public or which might make the game more liable to win or lose, or which tends to alter the normal random selection of criteria which determine the results of the game.

9. Denying any agent of the Tribal Gaming Office, the State Gaming Agency, or Tribal police, upon proper and lawful demand, access to, inspection or disclosure of any portion or aspect of the Gaming Facility as authorized by the Compact.

5.030 Publication of payoffs.

1. Payoff schedules or award cards applicable to every licensed game, slot machine and gaming device shall be displayed at all times either on the table or machine or in a conspicuous place immediately adjacent thereto. In the case of keno, the foregoing requirement will be satisfied if published payoff schedules are maintained in a location readily accessible to players and notice of the location of such schedule is posted on or adjacent to the table.

2. Payoff schedules or award cards must accurately state actual payoffs or

awards applicable to the particular game or device and shall not be worded in such manner as to mislead or deceive the public. Maintenance of any misleading or deceptive matter on any payoff schedule or award card or failure on the part of the Gaming Facility Operator to make payment in strict accordance with posted payoff schedules or award cards may be deemed an unsuitable method of operation.

5.040 Gaming by principals and key employees. No person who is licensed or found suitable as a principal or key employee of the Gaming Facility Operator or Management Contractor, nor any key employee who actively participates in the management of the Gaming Facility or the conduct of its licensed games, shall play or be permitted to play, either directly or indirectly through another person, any gambling game, including slot machines and gaming devices, but not including poker in the Gaming Facility.

5.050 Criminal convictions as grounds for revocation or suspension. The Tribal Gaming Office may revoke or suspend the license or finding of suitability of a person who is convicted of a crime, even though the convicted person's postconviction rights and remedies have not been exhausted, if the crime or conviction discredits or tends to discredit the Tribe.

5.060 Transfer of interest among licensees. If a person who is the owner of an interest in a licensed enterprise proposes to transfer any portion of his interest to a person who is then the owner of an interest in such licensed enterprise, both parties shall give written notice of such proposed transfer to the Tribal Gaming Office, including the names and addresses of the parties, the extent of the interest proposed to be transferred and the consideration therefor. In addition, the proposed transferee shall furnish to the Tribal Gaming Office a sworn statement setting forth the source of funds to be used by him in acquiring such interest; and he also shall furnish to the Tribal Gaming Office such further information as it may require. The Tribal Gaming Office shall forward the information to the State Gaming Agency who may conduct such investigation pertaining to the transaction as it deems appropriate and shall report the results thereof to the Tribal Gaming Office within 15 days. If the Tribal Gaming Office does not give notice of disapproval of the proposed transfer of interest within 15 days after the receipt by it of the report of the State Gaming Agency, the proposed transfer of interest will be deemed approved and the transfer of interest may then be effected in accordance with the terms of transfer as submitted to the Tribal Gaming Office. The parties shall immediately notify the Tribal Gaming Office when the transfer of interest is actually effected.

5.070 Transfer of interest to stranger to license.

1. No individual who is the owner of any interest in a licensed enterprise shall in any manner whatsoever transfer any interest therein representing more than 10% of the equity securities of the enterprise to any person, firm or corporation not then an owner of an interest therein, and no such transfer shall become effective for any purpose until the

proposed transferee or transferees shall have made application for and been found suitable or licensed, as appropriate. Transfers of 10% or less of the equity securities of a licensed enterprise shall be governed by the provisions of Section 5.060.

2. Applications for a transfer of interest to a stranger to the license shall be made by the transferee applying for licensing or a finding of suitability under the provisions of the Compact and this Ordinance.

3. Evidence of the transferor's agreement to transfer the interest applied for must accompany the application. Licensing or a finding of suitability of the transferee shall be deemed to constitute approval of the transfer by the Tribal Gaming Office.

5.080 Options. Every person or enterprise who grants an option to purchase an equity security of a licensed enterprise shall report the grant of such option in writing to the Tribal Gaming Office within 30 days after the option the agreement becomes effective. The exercise of any such option shall be governed by the provisions of Sections 5.060 and 5.070.

5.090 Slot machines and gaming devices.

1. The Gaming Facility Operator shall only expose slot machines and gaming devices for play by the public at the Gaming Facility that:

a. Have been approved under the provisions of the Compact, or have otherwise been authorized by the Tribal Gaming Office and the State Gaming Agency; and

b. Have been leased, purchased or otherwise obtained from licensed manufacturers and distributors as required by the Compact.

2. The Tribal Gaming Office shall require each licensed manufacturer and distributor to verify under oath, on forms provided by the Tribal Gaming Office, that the slot machines or gaming devices manufactured or distributed by them for use or play at the Gaming Facility meet the requirements of this section.

3. The Tribal Gaming Office or the State Gaming Agency may require the testing of any slot machine or gaming device to ensure compliance with the requirements of this Section. Any such testing shall be conducted by persons selected by the agency requiring the testing and shall be at the expense of the licensed manufacturer unless otherwise agreed.

CHAPTER 6

HEARINGS

6.010 Licensing hearings.

1. The Tribal Gaming Office may hold hearings to consider any application for a license or a finding of suitability. Written notice of such hearing shall be mailed to the applicant, certified mail, return receipt requested, at least 30 days before the hearing date.

2. At the hearing, the applicant shall be allowed to present any relevant information pertaining to the application, including, but not limited to, the live testimony of witnesses. Any written documentation that the applicant intends to present at the hearing shall be provided to the Tribal Gaming Office at least seven days prior to the hearing or it may be excluded from consideration. Representatives of the State Gaming Agency shall be allowed to be present at any such hearing and shall be allowed to present any information relevant to the application.

3. Upon the conclusion of the hearing, the Tribal Gaming Office shall issue a decision upon the application. A majority vote of the Tribal Gaming Office is required to approve any application recommended for approval by the State Gaming Agency. A majority vote of the Tribal Gaming Office is required to approve any application recommended for denial by the State Gaming Agency.

6.020 Patron dispute hearings.

1. Refusal to Pay Winnings. Whenever the Gaming Facility Operator refuses payment of alleged winnings to a patron, and the Gaming Facility Operator and the patron are unable to resolve the dispute to the satisfaction of the patron and the dispute involves:

- a. At least five hundred Dollars (\$500.00), the Gaming Facility Operator shall immediately notify the Tribal Gaming Office. The Tribal Gaming Office shall conduct whatever investigation it deems necessary and shall determine whether payment should be made; or
- b. Less than five hundred dollars (\$500.00), the Gaming Facility Operator shall inform the patron of his or her right to request that the Tribal Gaming Office conduct an investigation. Upon request of the patron, the Tribal Gaming Office shall conduct whatever investigation it deems necessary and shall determine whether payment should be made.
- c. Limitation of Liability. The liability of the Gaming Facility Operator in

any proceeding under this Chapter shall be limited to the amount of the alleged winnings and a patron shall not be entitled to an award of special or punitive damages, or damages for mental distress.

2. Notice to Patrons. The Tribal Gaming Office shall mail written notice by certified mail, return receipt requested, to the Gaming Facility Operator and the patron of the decision resolving the dispute within thirty (30) days after the date that the Tribal Gaming Office first receives notification from the Gaming Facility Operator or a request to conduct an investigation from the patron.

3. Effective Date of Decision. The decision of the Tribal Gaming Office is effective on the date it is received by the aggrieved party as reflected on the return receipt.

4. Review of Decision. Within thirty (30) days after the date of receipt of the written decision, the aggrieved party may file a petition with the Tribal Gaming Office requesting a review of the decision. The Tribal Gaming Office may set a hearing on the matter or may make a decision based solely upon the prior decision and other documentation provided to it by the patron and the Gaming Facility Operator. The Tribal Gaming Office shall then issue a written decision and mail it to the parties pursuant to the procedures set forth in Section 14(b). The decision of the Tribal Gaming Office shall be final and binding upon the patron and the Gaming Facility Operator and shall not be subject to judicial review, dispute resolution or other legal action.

CHAPTER 7

DISCIPLINARY PROCEEDINGS REGARDING LICENSES

7.010 Applicability. Chapter 7 shall apply to disciplinary proceedings involving tribal licenses issued pursuant to Tribal Gaming Ordinances and the Compact.

7.020 Definitions.

1. "Office" means the Tribal Gaming Office.
2. "Chairperson" means the Chairperson of the Tribal Gaming Office.
3. "Executive Director" means the Executive Director of the Tribal Gaming Office, his staff and counsel.
4. "Licensee" means any person or enterprise licensed or found suitable under the provisions of this Ordinance and the Compact.
5. "Respondent" means any licensee or gaming employee upon whom a complaint is served pursuant to this Chapter.

7.030 Service of complaint. If after an investigation pursuant to the Compact and this Ordinance, the Executive Director determines that a formal complaint is necessary, he shall prepare and serve the complaint upon the respondent either personally, or by registered or certified mail at his address on file with the Office. The complaint must be a written statement of charges which must set forth in ordinary and concise language the acts or omissions with which the respondent is charged. It must specify the sections of the Compact, of Tribal Gaming Ordinances or gaming regulations which the respondent is alleged to have violated, but must not consist merely of charges raised in the language of the Compact or the regulations. Proof of service may be provided by a certificate or affidavit of service, which shall be signed by the person effecting service and which shall specify the date and manner of service. The Tribal Gaming Office may summarily suspend any tribal licenses pending a hearing if the continued licensing of a person or entity constitutes an immediate threat to the public health, safety or welfare.

7.040 Answer; setting of hearing. The respondent shall file an answer to the complaint with the Office within 20 days after service of the complaint. A copy of the answer must also be served upon the State Gaming Agency. In his answer the respondent must:

1. State in short and plain terms his defenses to each claim asserted.
2. Admit or deny the facts alleged in the complaint.
3. State which allegations he is without knowledge or information sufficient to form a belief as to their truth. Such allegations shall be deemed denied.
4. Affirmatively set forth any matter which constitutes an avoidance or affirmative defense.
5. May demand a hearing. Failure to demand a hearing constitutes a waiver of that right but the Office may order a hearing even if the respondent waives that right.
6. Failure to file an answer or to appear at the hearing constitutes an admission by the respondent of all facts alleged in the complaint. The Office may take action based on such an admission and on other evidence without further notice to the respondent.
7. The Office shall serve notice of the hearing date within seven days after receipt of respondent's answer and shall conduct the hearing within 60 days of the date of said notice, unless the proceedings are continued for good cause.

7.050 Appearance through counsel.

1. Parties to proceedings governed by this Chapter may appear personally or through an attorney, except that the parties must personally attend any hearing on the merits unless such attendance has been waived.
2. When a party has appeared through an attorney, service of all notices, motions, orders, decisions, and other papers shall thereafter be made upon the attorney.
3. When a party is represented by an attorney, the attorney shall sign all motions, oppositions, notices, requests, and other papers on behalf of the party.

7.060 Prehearing conferences; scheduling; management.

1. After the respondent files an answer to the complaint, the Chairperson may direct the parties to participate in a conference or conferences before the hearing on the merits, for such purposes as expediting the disposition of the action, resolving discovery issues, and facilitating the settlement of the case.
2. The participants at any prehearing conference under this section shall be prepared to consider and take action with respect to any or all of the following, as determined by the Chairperson:

- a. The formulation and simplification of the issues;
- b. The necessity or desirability of amendments to the complaint or answer;
- c. The possibility of obtaining admissions of fact and of documents which will avoid unnecessary proof, stipulations regarding the authenticity of documents, and advance rulings from the chairman on the admissibility of evidence;
- d. The avoidance of unnecessary proof and of cumulative evidence;
- e. The identification of witnesses and documents, the need and schedule for filing and exchanging prehearing briefs, and the date or dates for further conferences and for the hearing on the merits;
- f. The possibility of settlement;
- g. The disposition of pending motions;
- h. The possibility that all evidence can be submitted by affidavits, transcripts, and other documents; and
- i. Such other matters as may aid in the disposition of the action.

3. After any conference held pursuant to this Chapter, the parties shall set forth in a written stipulation, to be filed with the Office, any matters no longer in dispute. As to those matters for which no agreement has been reached, but which require a ruling from the Office, the Office shall enter an order reciting the ruling.

7.070 Discovery: mandatory exchanges.

1. Within 20 calendar days after the service of the answer by the respondent, the parties shall confer for the purpose of complying with subsection 2.
2. At each conference the parties shall:
 - a. Exchange copies of all documents then reasonably available to a party which are then intended to be offered as evidence in support of the party's case in chief;
 - b. Identify, describe, or produce all tangible things, other than documents, then reasonably available to a party which are then intended to be offered as evidence in support of the party's case in chief, and upon request, arrange for the opposing parties to inspect, copy, test, or sample the same under the supervision of the parties; and

c. Exchange written lists of persons each party then intends to call as a material witness in support of that party's case in chief. Each witness shall be identified by name, if known, position, business address, and a brief description of the purpose for which the witness will be called. If no business address is available, the party shall provide a home address for the witness, or shall make the witness available for service of process. For the purpose of this paragraph, a "material witness" is a person whose testimony relates to a genuine issue in dispute which might affect the outcome of the proceeding.

3. It shall be a continuing obligation of the parties to produce documents, witness lists, and other matters governed by this section as such become identified by and available to the parties. A party may amend its responses to the requirements of this section by informing the adverse party that documents previously produced or witnesses previously listed, will not be introduced in that party's case in chief.

7.080 Conduct of hearings. The following procedures will apply when appropriate:

1. The respondent will be allowed to present and argue any legal objections to the complaint set forth in the answer; the Executive Director may thereupon present his answering argument; and thereafter the respondent may present rebuttal argument. The matter will then be submitted to the Office for decision. The Office may rule upon such objections immediately or take the matter under advisement and proceed with the hearing.

2. The Executive Director will present his opening statement on the merits. The respondent will then be permitted to make an opening statement of the defense, or he may reserve the same until commencement of the presentation of the defense.

3. The Executive Director will then present his case in chief in support of the complaint.

4. Upon conclusion of the Executive Director's case in chief, the respondent may move for dismissal of the complaint. The Office may hear arguments on the motion, or may grant, deny, or reserve decision thereon, with or without argument.

5. If no motion to dismiss is made, or if such motion is denied or decision reserved thereon, the respondent shall thereupon present the case for the defense.

6. Upon conclusion of the respondent's case, the Executive Director may present his case in rebuttal.

7. Upon conclusion of the Executive Director's case in rebuttal, the Executive Director shall present his closing argument, the respondent may present answering argument, and thereafter the Executive Director may present rebuttal argument.

Thereupon the matter will stand submitted for decision.

8. Any member of the Office may ask questions of witnesses, and may request or allow additional evidence at any time, including additional rebuttal evidence.

7.090 Evidence: admissibility.

1. For the purpose of this section, evidence is reliable if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs.

2. In hearings governed by this Chapter, the technical rules relating to evidence and witnesses shall not apply. Any relevant evidence may be admitted, and such evidence shall be sufficient in itself to support a finding if it is reliable, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in a civil action.

3. By way of illustration only, those matters that would be admissible in a court of law are hereby deemed to be reliable, in addition to those matters that satisfy the standards set forth in subsections 1 and 2.

4. Irrelevant or unduly repetitious evidence shall be excluded upon request of a party or the Office's own initiative.

7.100 Evidence: authentication and identification.

1. Documentary and other physical evidence may be authenticated or identified by any reasonable means, by evidence or other showing that the matter in question is what its proponent claims it to be.

2. By way of illustration only, those matters that would be accepted as authentic in a court of law, are hereby deemed to be authentic, in addition to matters that satisfy the standard set forth in subsection 1 of this section.

7.110 Failure or refusal to testify.

1. If a respondent fails to testify in his own behalf or asserts a claim of privilege with respect to any question propounded to him, the Office may infer therefrom that such testimony or answer would have been adverse to his case.

2. If any person controlling, controlled by, or under common control with, or employed by, or an agent of, a respondent fails to respond to a subpoena, or asserts a claim of privilege with respect to any question propounded to him, the Agency may, taking into account all of the circumstances, infer that such testimony would have been adverse to the respondent.

3. If, on a ground other than the properly invoked privilege against self-incrimination, a respondent fails to respond to a subpoena, or fails or refuses to answer a material question propounded to him, the Agency may deem such failure or refusal to be independent grounds for granting the relief requested by the Executive Director in the complaint with respect to that respondent.

7.120 Continuances. Continuances will not be granted except for good cause shown. A motion to continue a hearing must be made at least 10 calendar days prior to the hearing date and may be granted or denied in the discretion of the Chairperson.

7.130 Defaults. Failure of a respondent to file an answer to the complaint or to request a hearing, or to appear personally at a hearing on the merits without having obtained a waiver of appearance, shall constitute an admission of all matters and facts contained in the complaint filed with respect to such respondent, and shall be deemed a waiver of the right to an evidentiary hearing. In such cases the Office may take action based upon such admission or upon any other evidence, including affidavits, and without any further notices whatever to respondent.

7.140 Decision of the Office.

1. Findings of fact shall be based upon a preponderance of the evidence standard.

2. The "preponderance of the evidence" standard is such evidence as when considered and compared with that opposed to it, has more convincing force, and produces in the minds of the members of the Office a belief that what is sought to be proved is more likely true than not true.

3. The decision shall be in writing and shall be issued within 30 days after the hearing and served upon the parties personally, by certified mail, return receipt requested, or by registered mail. A copy shall also be provided to the State Gaming Agency at the same time.

7.150 Penalties. The Office may suspend, revoke, limit or condition the license or finding of suitability of any person or enterprise, or may order the suspension or termination of any gaming employee, found to have violated the provisions of the Compact, Tribal Gaming Ordinances or tribal gaming regulations. The Office may impose a civil fine of not more than \$5,000 for each separate violation. All fines must be paid to the Tribe within 15 days after the decision is issued imposing the fine unless otherwise ordered by the Office.

CHAPTER 8

ACCOUNTING REGULATIONS

8.010 Definitions. As used in this Chapter:

1. Unless otherwise specified, "Executive Director" means the Executive Director of the Tribal Gaming Office or his designee.
2. "Business year" means the annual period used by the Gaming Facility Operator for internal accounting purposes.
3. "Fiscal year" means the fiscal year utilized by the Gaming Facility Operator.
4. "Statements on auditing standards" means the auditing standards and procedures published by the American Institute of Certified Public Accountants.
5. "Statistical drop" means the dollar amount of cash wagered by a patron that is placed in the drop box plus the dollar amount of chips or tokens purchased at a table by a patron with currency with currency or credit instruments.
6. "Statistical win" means the dollar amount won by the licensee through table play.
7. "Wager" means a sum of money or thing of value risked on an uncertain occurrence.

8.020 Tribal Gaming Office audit procedures.

1. The Facility Gaming Operator, in accordance with Compact provisions, shall select independent certified accountants to perform an annual audit of the following audit functions for the Gaming Operation:
 - a. To conduct periodic audits or reviews of the books and records of the Gaming Operation;
 - b. To review the accounting methods and procedures used by the Gaming Facility Operator;
 - c. To review and observe methods and procedures used by the Gaming Facility Operator to count and handle cash, chips, tokens, negotiable instruments, and credit instruments;
 - d. To examine the Gaming Facility Operator's records and procedures

in extending credit;

e. To examine and review the Gaming Facility Operator's internal control procedures and, if applicable, the Manager Contractor's compliance therewith;

f. To examine all accounting and bookkeeping records and ledger accounts of the Gaming Facility Operator; and

g. To examine all contracts for suppliers, services or concessions for any contract amount in excess of \$25,000 annually (except contracts for professional legal or accounting services) relating to the Gaming Facility Operator.

2. The independent certified accountants shall conduct an audit in conformity with Compact standards. The independent certified accountants shall prepare an appropriate report at the conclusion of an audit and shall submit a copy of the report to the Tribal Gaming Office, the State Gaming Agency, the Manager and the Commission as applicable.

8.030 Accounting records.

1. The Gaming Facility Operator shall keep accurate, complete, legible, and permanent records of all transactions pertaining to revenue that is subject to accounting under a Management Contract.

2. The Gaming Facility Operator shall keep general accounting records on a double entry system of accounting, maintaining detailed, supporting, subsidiary records, including:

a. Detailed records identifying revenues, expenses, assets, liabilities, and equity;

b. Detailed records of all markers, IOU's, returned checks, hold checks, or other similar credit instruments;

c. Individual and statistical game records to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop by table for each table game, and to reflect statistical drop, statistical win, and the percentage of statistical win to statistical drop for each type of table game, either by each shift or other accounting period determined by the Gaming Facility Operator, and individual and statistical game records reflecting similar information for all other games;

d. Slot analysis reports which, by each machine, compare actual hold percentages to theoretical hold percentages; and

e. the records required by the internal control system.

3. The Gaming Facility Operator shall create and maintain records sufficient to accurately reflect gross gaming revenue and expenses relating solely to the Gaming Operation.

8.040 Standard financial statements.

1. The Gaming Facility Operator shall prepare a financial statement covering all financial activities of the Gaming Facility Operator for each fiscal year to include food, or beverage facilities at the Gaming Facility, in accordance with generally accepted accounting standards. The Gaming Facility Operator shall submit the financial statements to the Tribal Gaming Office not later than four months following the end of the fiscal year covered by the statement. Each financial statement must be signed by an appropriate representative of the Gaming Facility Operator who thereby attests to the completeness and accuracy of the statement.

2. If the Gaming Facility Operator changes its business year, or begins operation, the Gaming Facility Operator shall prepare and submit to the Tribal Gaming Office audited or reviewed financial statements covering the "stub" period from the end of the previous business year to the beginning of the new business year not later than 120 days after the end of the stub period or incorporate the financial results of the stub period in the statements for the new business year.

8.050 Internal control. Manager shall operate the Gaming Operation pursuant to an approved internal control system that meets the requirements of the Compact. Manager shall provide a copy of the internal control system and any amendments thereto to the Tribal Gaming Office and the State Gaming Agency.

8.060 Gross gaming revenue computations.

1. For each table game, gross revenue equals the closing bankroll plus credit slips for cash, chips, or tokens returned to the casino cage, plus drop, less opening bankroll and fills to the table.

2. For each slot machine, gross revenue equals drop less fills to the machine, jackpot payouts, and the actual cost to the Gaming Facility Operator of any personal property (other than costs of travel, food, lodging, services, and food and beverages) provided for or distributed to a patron as winnings. The initial hopper load is not a fill and does not affect gross gaming revenue. The difference between the initial hopper load and the total amount that is in the hopper at the end of each quarter must be adjusted accordingly as an addition to or subtraction from the drop for that quarter.

3. For each counter game, gross gaming revenue equals:

a. The money accepted by the Gaming Facility Operator on events or games that occur during the month or will occur in subsequent months, less money paid out during the month to patrons on winning wagers; or

b. The money accepted by the Gaming Facility Operator on events or games that occur during the month plus money, not previously included in gross revenue, that was accepted by the Gaming Facility Operator in previous months on events or games occurring in the month, less money paid out during the month to patrons on winning wagers.

4. For each card game and any other game in which the Gaming Facility Operator is not a party to a wager, gross revenue equals all money received by the Gaming Facility Operator as compensation for conducting the game.

5. The Gaming Facility Operator shall not include either shill win or shill loss in gross revenue computations.

6. If in any month the amount of gross revenue is less than zero, the Gaming Facility Operator may deduct the excess in the succeeding months, until the loss is fully offset against gross gaming revenue.

8.070 Treatment of credit for purposes of computing gross revenue.

1. Gross gaming revenue does not include credit extended or collected by the Gaming Facility Operator for purposes other than gaming. Gross gaming revenue includes the amount of gaming credit extended to a patron that is not documented in a credit instrument.

2. The Gaming Facility Operator shall, prior to extending credit, follow the procedures in its internal control system.

3. The Gaming Facility Operator need not include in gross gaming revenue the unpaid balance of a credit instrument if one or more of the following paragraphs are satisfied:

a. The Gaming Facility Operator settles the debt for less than its full amount to induce the patron to make a partial payment. This paragraph is satisfied only if the Gaming Facility Operator first requests payment of the debt in full from the patron, the patron fails to respond to the request or refuses to pay the debt in full, and the patron then makes a partial payment in consideration for settlement of the debt for less than the full amount.

b. The Gaming Facility Operator settles the debt for less than its full amount to compromise a genuine dispute between the patron and the Gaming Facility

Operator regarding the existence or amount of the debt.

c. The Gaming Facility Operator settles the debt for less than its full amount because the Gaming Facility Operator in good faith believes that the patron's business will be retained in the future, or the patron's business is in fact retained.

d. The Gaming Facility Operator settles the debt for less than its full amount to obtain a patron's business and to induce timely payment of the credit instrument.

4. The Gaming Facility Operator shall ensure:

a. That a debt settled pursuant to subsection 3 is settled either with the patron to whom the credit was initially extended or his personal representative. For purposes of this section, a personal representative is an individual who has been authorized by the patron to make a settlement on his behalf. The Gaming Facility Operator shall document its reasonable basis for its belief that the patron has authorized the individual to settle the patron's debt.

b. That the settlement is authorized by persons designated to do so in the internal control system, and the settlement agreement is reflected in a single document prepared within 30 days of the agreement and the document includes:

- (1) The patron's name;
- (2) The original amount of the credit instrument;
- (3) The amount of the settlement stated in words;
- (4) The date of the agreement;
- (5) The reason for the settlement;

(6) The signatures of the Gaming Facility Operator's employees who authorized the settlement;

(7) The patron's signature or in cases in which the patron's signature is not on the settlement document, confirmation from the patron acknowledging the debt. If confirmation from the patron is not available because of circumstances beyond the Gaming Facility Operator's control, the Gaming Facility Operator shall provide such other information regarding the settlement as is necessary to confirm the debt and settlement.

5. If the Tribal Gaming Office determines that it is necessary to independently

verify the existence or the amount of a settlement made pursuant to subsection 3, the Gaming Facility Operator shall allow the Tribal Gaming Office to confirm the settlement and its terms and circumstances with the patron to whom the credit was initially extended.

6. The Gaming Facility Operator shall include in gross gaming revenue all money, and the net fair market value of property or services received by the Gaming Facility Operator in payment of credit instruments.

7. The Gaming Facility Operator may exclude money received in payment of credit instruments from gross revenue if the Gaming Facility Operator notifies the Tribal Gaming Office in writing within 45 days of the Gaming Facility Operator's discovery of the alleged criminal misappropriation of the money by an agent or employee of the Gaming Facility Operator where the agent, employee, or person was involved in the collection process, and if the Gaming Facility Operator:

a. Files a written report with an appropriate law enforcement agency, other than the Tribal Gaming Office, alleging criminal misappropriation of the money and furnishes a copy of such report to the Tribal Gaming Office within 45 days of its request; or

b. Files and prosecutes a civil action against the agent, employee, or person for recovery of the misappropriated money and furnishes copies of legal pleadings to the Tribal Gaming Office within 45 days of its request; or

c. Otherwise demonstrates that the money was in fact criminally misappropriated and not merely retained by the agent, employee, or person as payment for services or costs.

8. If the Gaming Facility Operator recovers any money, previously excluded from gross gaming revenue pursuant to subsection 7, the Gaming Facility Operator shall include the money in gross gaming revenue for the month in which the money is recovered.

8.080 State Gaming Agency. All records provided to the Tribal Gaming Office pursuant to this Chapter shall be also be provided to the State Gaming Agency.

CHAPTER 9

CHIPS AND TOKENS

9.010 Definitions. As used in this Chapter:

1. "Chip" means a non-metal or partly metal representative of value, redeemable for cash, and issued and sold by the Gaming Facility Operator for use at table games or counter games at the Gaming Facility.

2. "Token" means a metal representative of value, redeemable for cash, and issued and sold by the Gaming Facility Operator for use in slot machines or for use in slot machines and at table games or counter games at the Gaming Facility.

9.020 Specifications for chips and tokens.

1. Chips and tokens must be designed, manufactured, and constructed in compliance with all applicable statutes, regulations, and policies of the United States, Arizona, and other states, and so as to prevent counterfeiting of the chips and tokens to the extent reasonably possible. Chips and tokens must not deceptively resemble any current or past coinage of the United States or any other Tribe.

2. In addition to such other specifications as the Tribal Gaming Office may approve:

a. The name of the Gaming Facility Operator must be inscribed on each side of each chip and token;

b. The value of the chip or token must be inscribed on each side of each chip and token, other than chips used exclusively at roulette if roulette is permitted by Compact;

c. The manufacturer's name or a distinctive logo or other mark identifying the manufacturer must be inscribed on at least one side of each chip and token; and

d. Each chip must be designed so that when stacked with chips and tokens of other denominations and viewed on closed-circuit, black-and-white television, the denomination of the chip can be distinguished from that of the other chips and tokens in the stack.

9.030 Specifications for chips.

1. Unless the Tribal Gaming Office approves otherwise, chips must be disk-shaped, must be .130 inch thick, and must have a diameter of:

- a. 1.55 inches, for chips used at games other than baccarat;
 - b. 1.55 inches or 1.6875 inches, for chips used at baccarat; and
 - c. 1.6875 inches, for chips used exclusively at race books or other counter games.
2. Each side of each chip issued for use exclusively at a race book or particular game must bear an inscription clearly indicating that use of the chip is so restricted.

9.040 Specifications for tokens.

1. Unless the Tribal Gaming Office approves otherwise, tokens must be disk-shaped and must measure as follows:
 - a. No token may be smaller than 1.459 inches or larger than 1.95 inches in diameter, and no token may be from 1.475 through 1.525 inches in diameter;
 - b. One dollar denomination tokens must be from 1.459 through 1.474 inches in diameter, from .095 through .115 inch thick, and, if the token has reeds or serrations on its edges, the number of reeds or serrations must not exceed 150;
 - c. Five dollar denomination tokens must be 1.75 inches in diameter, from .115 through .135 inch thick, and, if the token has reeds or serrations on its edges, the number of reeds or serrations must not exceed 175;
 - d. Twenty-five dollar denomination tokens must be larger than 1.75 inches but no larger than 1.95 inches in diameter (except that such tokens may be 1.654 inches (42 millimeters) in diameter if made of 99.9 percent pure silver), must be .10 inch thick, and, if the token has reeds or serrations on its edges, the number of reeds or serrations must not exceed 200; and
 - e. Tokens of other denominations must have such measurements and edge reeds or serrations as the Tribal Gaming Office may approve.
2. Tokens must not be manufactured from material possessing sufficient magnetic properties so as to be accepted by a coin mechanism, other than that of a slot machine.
3. Tokens must not be manufactured from a three-layered material consisting of a copper-nickel alloy clad on both sides of a pure copper core, nor from a copper-based material, unless the total of zinc, nickel, aluminum, magnesium, and other alloying materials is at least 20 percent of the token's weight.

9.050 Use of chips and tokens.

1. The Gaming Facility Operator shall:
 - a. Comply with all applicable statutes, regulations, and policies of Arizona and of the United States pertaining to chips or tokens;
 - b. Sell chips and tokens only to patrons of the Gaming Facility and only at their request;
 - c. Promptly redeem its own chips and tokens from its patrons; and
 - d. Post conspicuous signs at the Gaming Facility notifying patrons that federal law prohibits the use of the licensee's tokens, and that state law prohibits the use of the licensee's chips, outside the facility for any monetary purpose whatever; and
 - e. Take reasonable steps, including examining chips and tokens and segregating those issued by another Gaming Facility to prevent the issuance to its patrons of chips and tokens issued by another Gaming Facility.

2. The Gaming Facility Operator shall not accept chips or tokens as payment for any goods or services offered at the Gaming Facility with the exception of the specific use for which the chips or tokens were issued, and shall not give chips or tokens as change in any other transaction.

3. The Gaming Facility Operator shall not redeem its chips or tokens if presented by a person who the Gaming Facility Operator knows or reasonably should know is not a patron of the Gaming Facility, except that a licensee shall promptly redeem its chips and tokens if presented by an employee of the Gaming Facility Operator who presents the chips and tokens in the normal course of employment.

4. Chips whose use is restricted to uses other than at table games or other than at specified table games may be redeemed by the Gaming Facility Operator at table games or non-specified table games if the chips are presented by a patron, and the Gaming Facility Operator redeems the chips with chips issued for use at the game, places the redeemed chips in the table's drop box, and separates and properly accounts for the redeemed chips during the count performed pursuant to the internal control system.

9.060 Redemption and disposal of discontinued chips and tokens. If the Gaming Facility Operator permanently removes from use or replaces approved chips or tokens at the Gaming Facility it shall redeem discontinued chips and tokens that remain outstanding at the time of discontinuance pursuant to a plan prepared by the Gaming Facility Operator and approved by the Tribal Gaming Office and the State Gaming Agency.

9.070 Destruction of counterfeit chips and tokens.

1. As used in this section, "counterfeit chips or tokens" means any chip- or token-like objects that have not been approved pursuant to this Chapter, including objects commonly referred to as "slugs," but not including coins of the United States or any other Tribe.

2. Unless a peace officer instructs or a court of competent jurisdiction orders otherwise in a particular case, the Gaming Facility Operator shall destroy or otherwise dispose of counterfeit chips and tokens discovered at the gaming facilities in such manner as it deems appropriate.

3. Unless a peace officer instructs or a court of competent jurisdiction orders otherwise in a particular case, the Gaming Facility Operator may dispose of coins of the United States or any other nation discovered to have been unlawfully used at their establishments by including them in their coin inventories or, in the case of foreign coins, by exchanging them for United States currency or coins and including the same in their currency or coin inventories, or by disposing of them in any other lawful manner.

4. The Gaming Facility Operator shall record:

a. The number and denominations, actual and purported, of the coins and counterfeit chips and tokens destroyed or otherwise disposed of pursuant to this Chapter;

b. The month during which they were discovered;

c. The date, place, and method of destruction or other disposition, including, in the case of foreign coin exchanges, the exchange rate and the identity of the bank, exchange company, or other business or person at which or with whom the coins are exchanged; and

d. The names of the persons carrying out the destruction or other disposition on behalf of the Gaming Facility Operator.

5. The records required by subsection 4 must be retained for a period of two years.

9.080 Other instrumentalities. Other instrumentalities with which gaming is conducted must be designed, manufactured, approved, used, discontinued, destroyed, or otherwise disposed of in accordance with the provisions of this Chapter applicable to chips and tokens, except that such other instrumentalities must be of such shape, size, and design and have such other specifications as the Tribal Gaming Office may approve.

CHAPTER 10

ENFORCEABILITY OF CREDIT INSTRUMENTS

10.010 Enforceability of credit instruments. Credit instruments accepted by the Tribal Gaming Facility Operator are valid and enforceable and may be enforced through legal process in the Tribal courts. Except as may be provided in the Compact, gaming debts not evidenced by a credit instrument are void and unenforceable and do not give rise to any administrative or civil cause of action.

1. The Gaming Facility Operator may accept an incomplete credit instrument which is signed by a patron and states the amount of the debt in figures, and may complete the instrument as is necessary for the instrument to be presented for payment.

2. The Gaming Facility Operator or person acting on behalf of the Gaming Facility Operator:

a. May accept a credit instrument that is dated later than the date of its execution if that later date is furnished at the time of the execution of the credit instrument by the patron.

b. May not accept a credit instrument which is incomplete and cannot lawfully be completed to comply with the requirements of the laws of the State governing negotiable instruments.

c. May accept a credit instrument that is payable to an affiliated company or may complete a credit instrument in the name of an affiliated company as payee if the credit instrument otherwise complies with this subsection and the records of the affiliated company pertaining to the credit instrument are made available to agents of the Tribal Gaming Office upon request.

d. May accept a credit instrument either before, at the time, or after the patron incurs the debt. The credit instrument and the debt that the credit instrument represents are enforceable without regard to whether the credit instrument was accepted before, at the time or after the debt is incurred.

3. This section does not prohibit the establishment of an account by a deposit of cash, recognized traveler's check, or any other instrument which is equivalent to cash.

4. If a credit instrument is lost or destroyed, the debt represented by the credit instrument may be enforced by the Gaming Facility Operator or Manager if they can prove the existence of the credit instrument.

5. A patron's claim of having a mental or behavioral disorder involving

gambling:

a. Is not a defense in any action by the Gaming Facility Operator or a person acting on behalf of the Gaming Facility Operator to enforce a credit instrument or the debt that the credit instrument represents.

b. Is not a valid counterclaim to such an action.

6. The failure of the Gaming Facility Operator or Management Contractor, as applicable, to comply with the provisions of this section or the regulations does not invalidate a credit instrument or affect the ability to enforce the credit instrument or the debt that the credit instrument represents.

CHAPTER 11

CRIMES AND LIABILITIES CONCERNING GAMING

11.010 **"Cheat" defined; applicability of definitions in the Compact.** As used in this Chapter:

1. "Cheat" means to alter the selection of criteria which determine:
 - a. The result of a game; or
 - b. The amount or frequency of payment in a game.
2. "Authorities" means agents of the Tribal Gaming Office, Tribal Police, Federal Law Enforcement Officers, the State Gaming Agency, a Management Contractor and its principals, employees and agents, and principals, employees and agents of the Gaming Facility Operator. It also means an Arizona Peace Officer if deputized pursuant to an Intergovernmental or Cross-deputization Agreement with the Tribe.
3. "Person" means a member of the Tribe or any non-member Indian within the Reservation or Tribal lands, and any non-Indian acting within the exterior boundaries of Tribal Lands.
4. The words and terms defined in the Ordinance have the meanings ascribed to them in the Ordinance.

11.020 **Fraudulent acts.** It is unlawful for any person:

1. To alter or misrepresent the outcome of a game or other event on which wagers have been made after the outcome is made sure but before it is revealed to the players.
2. To place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome.
3. To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a gambling game, with intent to defraud, without having made a wager contingent thereon, or to claim, collect or take an amount greater than the amount won.
4. Knowingly to entice or induce another to go to any place where a gambling

game is being conducted or operated in violation of the provisions of this chapter, with the intent that the other person play or participate in that gambling game.

5. To place or increase a bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including past-posting and pressing bets.

6. To reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including pinching bets.

7. To manipulate, with the intent to cheat, any component of a gaming device in a manner contrary to the designed and normal operational purpose for the component, including, but not limited to, varying the pull of the handle of a slot machine, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game.

11.030 Use of device for calculating probabilities. It is unlawful for any person at the Gaming Facility to use, or possess with the intent to use, any device to assist:

1. In projecting the outcome of the game;
2. In keeping track of the cards played;
3. In analyzing the probability of the occurrence of an event relating to the game; or
4. In analyzing the strategy for playing or betting to be used in the game.

11.040 Use of counterfeit or unapproved chips or tokens or unlawful coins or devices; possession of certain devices, equipment, products or materials.

1. It is unlawful for any licensed person enterprise, employee or other person to use counterfeit chips in a gambling game.

2. It is unlawful for any person, in playing or using any gambling game designed to be played with, receive or be operated by chips or tokens approved by the Tribal Gaming Office or by lawful coin of the United States of America:

a. Knowingly to use other than chips or tokens approved by the Tribal Gaming Office or lawful coin, legal tender of the United States of America, or to use coin not of the same denomination as the coin intended to be used in that gambling game; or

b. To use any device or means to violate the provisions of the Compact or this Chapter.

3. It is unlawful for any person, not a duly authorized employee of the Gaming Facility Operator acting in furtherance of his employment within the Gaming Facility, to have on his person or in his possession on or off the premises of the Gaming Facility any device intended to be used to violate the provisions of the Compact or this Chapter.

4. It is unlawful for any person, not a duly authorized employee of the Gaming Facility Operator acting in furtherance of his employment within the Gaming Facility, to have on his person or in his possession on or off the premises of the Gaming Facility any key or device known to have been designed for the purpose of and suitable for opening, entering or affecting the operation of any gambling game, drop box or any electronic or mechanical device connected thereto, or for removing money or other contents therefrom.

5. It is unlawful for any person to have on his person or in his possession any paraphernalia for manufacturing slugs. As used in this subsection, "paraphernalia for manufacturing slugs" means the equipment, products and materials that are intended for use or designed for use in manufacturing, producing, fabricating, preparing, testing, analyzing, packaging, storing or concealing a counterfeit facsimile of the chips or tokens approved by the Tribal Gaming Office or a lawful coin of the United States, the use of which is unlawful pursuant to subsection 2. The term includes, but is not limited to:

- a. Lead or lead alloys;
- b. Molds, forms or similar equipment capable of producing a likeness of a gaming token or United States coin;
- c. Melting pots or other receptacles;
- d. Torches; and
- e. Tongs, trimming tools or other similar equipment.

6. Possession of more than one of the devices, equipment, products or materials described in this section permits a rebuttable inference that the possessor intended to use them for cheating.

11.050 Cheating. It is unlawful for any person, whether he is a principal or employee of the Gaming Facility Operator, or a player in the Gaming Facility, to cheat at any gambling game.

11.060 Unlawful manufacture, sale, distribution, marking, altering or modification of equipment and devices associated with gaming; unlawful instruction.

1. It is unlawful to manufacture, sell or distribute any cards, chips, dice, game or device which is intended to be used to violate any provision of the Compact or this Chapter.

2. It is unlawful to mark, alter or otherwise modify any gaming equipment or gaming device, as defined in the Compact, in a manner that:

- a. Affects the result of a wager by determining win or loss; or
- b. Alters the normal criteria of random selection, which affects the operation of a game or which determines the outcome of a game.

3. It is unlawful for any person to instruct another in cheating or in the use of any device for that purpose, with the knowledge or intent that the information or use so conveyed may be employed to violate any provision of the Compact or this Chapter.

11.070 Penalties.

1. Any Indian person who violates any provision of this Chapter or any rule or regulation authorized thereunder, shall be guilty of a criminal offense punishable by a fine of not more than five hundred dollars (\$500.00) or by imprisonment for not more than six (6) months, or both.

2. Any person who violates any provision of this Ordinance, or any rule or regulation authorized thereunder, shall be liable for a civil penalty not to exceed five hundred dollars (\$500.00), plus court costs, for each violation.

3. The Tribal Courts shall have jurisdiction over all violations of this Ordinance and over all persons who are parties to a management contract as defined in this Ordinance and may, in addition to the penalties prescribed in subsection 1 and 2 above, grant such other relief as is necessary and proper for the enforcement of this Ordinance and of the provisions of any management contract, including but not limited to injunctive relief against acts in violation thereof, subject to arbitration procedures, if any, applicable to any management contract. Nothing, however, in this Ordinance shall be construed to authorize or require the criminal trial and punishment of non-Indians except to the extent allowed by any applicable present or future Act of Congress or any applicable federal court decision.

11.080 Unlawful dissemination of information concerning racing; exemptions; penalty.

1. It is unlawful for any person to furnish or disseminate any information in regard to racing or races, from any point within the State to any point outside the State, by telephone, telegraph, teletype, radio or any signaling device, with the intention that the information is to be used to induce betting or wagering on the result of the race or races, or with the intention that the information is to be used to decide the result of any bet or wager made upon the race or races.

2. This section does not prohibit:

a. A newspaper of general circulation from printing and disseminating news concerning races that are to be run or the results of races that have been run; or

b. The furnishing or dissemination of information concerning wagers made in an off-track pari-mutuel system of wagering authorized under the Compact.

3. Any person who violates the provisions of this section shall be punished as provided in the federal criminal laws already existing, or State criminal laws already existing or enacted pursuant to the Compact.

11.090 Detention and questioning of person suspected of violating chapter; limitations on liability; posting of notice.

1. The Authorities may question any person in the Gaming Facility suspected of violating any of the provisions of the Compact or this Chapter. None of the Authorities is criminally or civilly liable:

a. On account of any such questioning; or

b. For reporting to the Tribal Gaming Office, the State Gaming Agency, Tribal, federal or state regulatory authorities, or law enforcement authorities the identity of the person suspected of the violation.

2. Any of the Authorities who has probable cause for believing that there has been a violation of this Chapter in the Gaming Facility by any person may take that person into custody and detain him in the Gaming Facility in a reasonable manner and for a reasonable length of time. Such a taking into custody and detention does not render the Authorities criminally or civilly liable unless it is established by clear and convincing evidence that the taking into custody and detention are unreasonable under all the circumstances.

3. There must be displayed in a conspicuous place in the Gaming Facility a notice in boldface type clearly legible and in substantially this form:

Agents of the Tribal Gaming Office, Tribal Police, Federal law enforcement agents, or the State Gaming Agency, or any of the Authorities who has probable cause for believing that any person has violated any provision of this Chapter prohibiting cheating in gaming may detain that person in the Gaming Facility.

4. State authorities right to detain and question under this Chapter within the reservation is restricted to the Gaming Facility boundaries unless cross-deputized as Tribal police and in the supervisory presence of a Tribal police officer. Nothing in this Chapter shall be construed to grant to the State of Arizona criminal prosecutorial jurisdiction over Tribal members or non-member indians for acts committed on the

Reservation or Tribal Lands.

11.100 Disposition of evidence seized by agent of the Tribal Gaming Office or the State Gaming Agency.

1. After the final adjudication of a complaint involving a violation of the Compact or this Chapter, or of any other complaint involving the seizure of evidence by an agent of the Tribal Gaming Office or the State Gaming Agency, a court of competent jurisdiction may enter an appropriate order disposing of all physical evidence pertaining to the complaint, whether or not the evidence was introduced as an exhibit.

2. Except as otherwise provided in subsection 3, evidence seized by an agent of the Tribal Gaming Office or the State Gaming Agency which does not result in a complaint charging a violation of the law and evidence for which an order of disposition is not entered pursuant to subsection 1, must be disposed of as follows:

a. The Tribal Gaming Office shall notify by certified mail each potential claimant of the evidence that he has 30 days after receipt of the notice within which to file a written claim with the board for return of the evidence.

b. If more than one person files a claim for the evidence:

(1) The claimants may agree among themselves as to how they wish to divide the evidence, subject to the approval of the Tribal Gaming Office;

(2) The claimants may agree to submit the matter to binding arbitration or any claimant may institute legal proceedings before the Tribal Court to determine the proper disposition of the evidence. The Tribal Gaming Office shall return the evidence to the claimants in accordance with any agreement approved by the Tribal Gaming Office, final judgment or award made pursuant to the provisions of this section.

c. A person who receives property from the Tribal Gaming Office pursuant to this section shall execute such documents as are required by the Tribal Gaming Office to defend, hold harmless, indemnify and release the Tribal Gaming Office from any liability arising from the delivery of the property to the claimant.

d. If no claim is submitted, the Tribal Gaming Office shall deposit all money with the Tribe and may use all other property for any lawful purpose. The Tribal Gaming Office may dispose of any property which cannot be used for any lawful purpose in any reasonable manner.

3. Evidence which constitutes a device for cheating may not be returned to a claimant and must be retained by the Tribal Gaming Office or the State Gaming Agency. The Tribal Gaming Office and the State Gaming Agency shall periodically destroy such devices in any reasonable manner.

11.110 Unauthorized Gaming. Any member of the Tribe or any non-

member indian who commits any act of unauthorized gaming on the Reservation or on any Tribal lands shall be guilty of a crime and prosecuted in Tribal Court. Prosecution for such a crime in Tribal Court shall not be exclusive and a finding of guilt or innocence shall not deprive the federal government from criminal jurisdiction. However, it is hereby declared that Class I, Class II and Class III gaming, when conducted on the Reservation or Tribal lands in full compliance with the provisions of the Compact. This Tribal Gaming Ordinance and applicable federal law, shall be deemed lawful and not subject to the imposition of any criminal penalties.

CHAPTER 12

REPEAL FORMER GAMING ORDINANCE

12.100 Ordinance Supersedes Former Gaming Ordinance. All statutory provisions formerly enacted regarding the subject matter of this ordinance are hereby repealed. The provisions of this Ordinance supersede all such formerly enacted sections. This Ordinance is effective immediately.

CHAPTER 13

SEVERABILITY

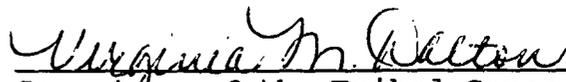
13.100 Severability Clause. The provisions of the White Mountain Apache Tribe Gaming Ordinance shall be severable and if any phrase, clause, sentence or provision of the ordinance is found to be contrary to the White Mountain Apache Tribal Constitution, or declared to be in violation of applicable Federal Law, or is held to be invalid, the validity of the remainder of this ordinance shall not be affected and shall remain in full force and effect.

CERTIFICATION

The foregoing ordinance was on August 18, 1993, duly enacted by a vote of six for two against two abstention, by the Tribal Council of the White Mountain Apache Tribe pursuant to authority vested in it by Article V, Section 1 (a) (h) (i) (q) (s) (t) and (u) of the Amended Constitution and Bylaws ratified by the Tribe on June 27, 1958 and approved by the Secretary of the Interior on May 29, 1958, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984)

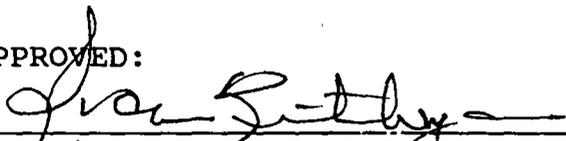


Chairman of the Tribal Council



Secretary of the Tribal Council

APPROVED:



Superintendent, Fort Apache Agency
Bureau of Indian Affairs
Whiteriver, Arizona

RECEIVED

AUG 21 1993

FORT APACHE INDIAN AGENCY
WHITERIVER, ARIZONA